

TRAVEL AND HOSPITALITY

Consumers find new value in luxury travel: American Express

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Travelers want privacy as well as personalized experiences. Image credit: American Express

By SARAH RAMIREZ

Wanderlust continues to build up among consumers, and many are ready to splurge on travel to make up for lost time during the COVID-19 pandemic.

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According to the [Global Travel Trends Report](#) from American Express, 61 percent of travelers are planning to spend more on their 2021 trips than they normally would. Luxury accommodations have become more desirable as well, as consumers seek to balance unique experiences with privacy.

"There is a pent-up demand for travel among consumers, with many people longing for and beginning to plan future trips," said Audrey Hendley, president of American Express Travel, in a statement. "In addition, the pandemic environment is giving rise to emerging trends, such as the increasing appeal of working from anywhere while traveling globally, luxury being defined as more personalized experiences, cleanliness and privacy as the ultimate luxury amenities, as well as a growing interest in the environmental and social purpose of their trips and travel companies."

The American Express report is based on flight and hotel bookings, as well as an online poll conducted by Morning Consult in January 2021 of 8,000 travelers.

Respondents had traveled by air at least once in 2019 and hailed from Australia, Canada, India, Japan, Mexico, the United Kingdom and the United States. Participants had a household income of at least \$70,000, with a lower threshold for respondents from Mexico and India.

Longing for luxury

Nearly nine in 10 respondents reported that having a future trip planned gives them something to look forward to, and more than three-quarters have already created their travel wish lists.

Despite the excitement, however, 65 percent of travelers will wait until they and their loved ones have been vaccinated against COVID-19 to take a trip. While many are comfortable waiting, 56 percent are also willing to book travel now, even if the trip may have to be canceled.



More consumers are booking travel to smaller cities. Image credit: Rosewood Hotels & Resorts

As consumers become eager to indulge on travel, perceptions about luxury hospitality have also improved.

Personalized experiences are the most desirable luxury offering, as cited by 82 percent of respondents. The majority of travelers also described high cleanliness standards, 81 percent, and privacy, 79 percent, as in-demand luxury amenities.

Eighty percent of travelers are also willing to visit destinations during the offseason to avoid crowds. Similarly, American Express Travel booking data shows an increase in reservations for "second-city" destinations as 69 percent of respondents shows interest in visiting lesser-known locales.



Privacy is becoming another amenity for luxury travelers. Image credit: Preferred Hotels & Resorts

Additionally, interest is up for culinary experiences, cruises, outdoors activities and other wellness offerings.

Consumers are also interested in outsourcing planning to avoid the stress of handling travel logistics during a confusing time, with 59 percent of respondents wanting to hire a travel agent to personalize their trips.

Purposeful travel

Other travel trends are also starting to emerge.

Sixty-eight percent of respondents are trying to be more aware of environmentally-friendly travel brands. Some actions travelers are taking include supporting more small and local businesses while on vacation or booking with carbon-neutral airlines.

Earlier this year, hotel group Mandarin Oriental touted its sustainability efforts in a new multichannel campaign. "Naturally Better" campaign touches on the different ways Mandarin Oriental is prioritizing sustainability in its operations, such as eliminating single-use plastic or reducing water use ([see story](#)).

Consumers are also embracing flexible and remote work policies as an opportunity explore new destinations. Fifty-four percent of respondents believe this flexibility makes balance work and travel more appealing than prior to the pandemic.

Several luxury hospitality groups have taken measures to make their offerings versatile and enticing to consumers who may desire a different workspace.

Mandarin Oriental and Four Seasons Hotels & Resorts are among those that have introduced remote long-term stay packages to accommodate working individuals looking for a vacation while still navigating the pandemic. Some

packages even include tutoring for children who were attending school remotely ([see story](#)).

"Travelers are eager to experience the world again and are starting to plan their next once-in-a-lifetime trip," Ms. Hendley said. "From celebratory moments to relaxing vacation getaways, travel allows us to step away and truly enjoy the simple pleasures in life."

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